



## INCLUSIVE GROWTH AND HUMAN DEVELOPMENT IN IRAQ (2004-2022): REALITY AND SOLUTIONS

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Article history:		Abstract:
<b>Received:</b>	14 <sup>th</sup> February 2025	This study aims to highlight the importance of inclusive growth and human development in economic and social fields. Given the relevance of this topic in addressing global economic challenges such as poverty, unemployment, income inequality, and wealth distribution, inclusive growth offers potential solutions. The study adopts a descriptive analytical approach to human development indicators. This type of growth focuses on equitably distributing the benefits of economic growth among all segments of society, particularly the poor, and utilizing economic resources effectively. Inclusive growth seeks to reduce social and economic gaps by providing equal opportunities and achieving balanced development across different regions and social groups. The study aims to diagnose the causes of low growth rates and propose solutions to address them, aiming to enhance human development indicators and ensure that all individuals have equal opportunities in education, health, and employment, as well as create a conducive environment for them. One of the key findings of the study is that having a clean environment free from corruption and providing favorable economic, political, and security conditions contribute to achieving high levels of human development in Iraq and promoting inclusive growth. This would help overcome barriers that might weaken the effectiveness of human development efforts and hinder the achievement of development goals. During the study period, human development faced challenges that hindered the achievement of its goals, particularly in the health and education sectors, which kept services below the required standards and made it difficult to meet development targets. Therefore, improving and providing services in the education and health sectors is a key objective to achieving the desired human development in Iraq. These services contribute significantly to high levels of inclusive growth by providing job opportunities and utilizing Iraq's economic and financial resources for the benefit of the poor and ensuring a fair distribution of resources between the wealthy and the poor.
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**Keywords:** Inclusive Growth, Human Development, Human Development Indicators

### INTRODUCTION:

Recently, a modern concept has emerged among economic concepts, one that transcends the traditional idea of economic growth. This concept places the individual at the heart of development, striving to advance them as a key element within it. It has been termed "inclusive growth" or "pro-poor growth," focusing its attention on the equitable distribution of income in favor of the poor class, equality, equal opportunities, and creating an enabling environment for those driving the growth process as well as those participating in its realization. Additionally, it emphasizes the development of productive human resources to ensure the achievement of human development. Inclusive growth and human development are two intertwined concepts that together aim to achieve comprehensive and sustainable development for societies.

Human development, on the other hand, focuses on empowering individuals to enhance their capabilities, enabling access to education and healthcare services, as well as other economic opportunities that improve their living standards, ultimately achieving sustainable well-being. From another perspective, human development concentrates on empowering individuals by enhancing their abilities and providing access to education, health, and economic opportunities, which elevates their quality of life and contributes to sustainable well-being. The attempt to integrate inclusive growth with human development strengthens societies' capacity to achieve sustainable development that



considers both economic and social dimensions equally. In this context, investing in human capital, promoting social justice, and providing equal opportunities are fundamental priorities for achieving inclusive growth and human development in an integrated manner.

#### **PROBLEM OF THE STUDY:**

The problem of the study lies in how to achieve human development alongside inclusive growth to address issues such as income distribution, improving the living standards of the poor, and enhancing the role of institutions. This, in turn, ensures the realization of comprehensive social and economic justice. The study seeks to answer several questions, including:

- What is inclusive growth?
- What are the mechanisms followed to achieve inclusive growth?
- What are the necessary policies to achieve inclusive growth?
- What are the measures taken to achieve inclusive growth in Iraq?

#### **IMPORTANCE OF THE STUDY:**

The significance of the study stems from the fact that inclusive growth is considered one of the modern models of economic development. It differs from traditional economic growth in that it seeks to enhance social integration and reduce economic disparities between individuals, such as poverty, inequality, and the unfair distribution of growth benefits among societal classes. Additionally, it works to promote social and political stability when individuals are provided with equal economic opportunities that encourage innovation and productivity. It also achieves sustainability through investment in human capital.

#### **OBJECTIVES OF THE STUDY:**

The research aims to:

- Identify the nature of inclusive growth.
- Understand the mechanisms used to implement inclusive growth in Iraq.
- Explore the relationship between inclusive growth and human development.

#### **Hypothesis of the study:**

The hypothesis posits that an economy cannot achieve comprehensive and inclusive growth without investment in human capital, represented by improvements in education, healthcare, and the provision of job opportunities. All of these enhance growth and serve as the foundation for its realization.

#### **METHODOLOGY:**

The study relied on the descriptive and analytical approach using tables obtained from the Central Statistical Organization.

### **1. The Concept, Key Mechanisms, and Dimensions of Inclusive Growth**

#### **1.1. The Concept:**

There has been some variation in defining the concept of inclusive growth. The Asian Development Bank (2010) defined it as "growth that aims not only to create new economic opportunities for all members of society through community participation and reducing disparities in distribution, but also includes participation in shaping development or sharing the fruits of growth and development, empowering everyone without exclusion or discrimination among individuals in society to access available opportunities in the economy" (Asian Development Bank, 2010). It is also defined as growth in the gross domestic product that leads to a substantial reduction in poverty (Hanafi, 2017: 106). Additionally, it refers to economic growth that grants all segments of society the opportunity to benefit from its advantages, or a noticeable improvement in economic indicators that leads to societal well-being regardless of income, ensuring income distribution reaches all groups and regions, alongside how individuals participate in the growth process (OECD, 2014: 18).

The Arab NGO Network for Development (2018: 4) explained that inclusive growth is growth that creates new economic opportunities and ensures equal access to these opportunities for all societal segments, especially the poor. Growth becomes inclusive when the gap between the rich and the poor narrows and the benefits of the economy are distributed equitably, resulting in improved living standards across various aspects such as health, education, income, a clean environment, and social support when inclusive growth occurs. This was affirmed by the Organisation for Economic Co-operation and Development (OECD) (Shadhan, 2024: 65).

From the above, we can conclude that inclusive growth encompasses the following: (Ali, 2021: 130)

- 1- Providing job opportunities for individuals, fostering a sense of dignity.
- 2- Equality and participation in all aspects of economic life between men and women.
- 3- Functioning similarly to sustainable development by distributing the fruits of growth between current and future generations.

There are several reasons why inclusive growth has gained significant attention in economic and international forums, including: (Hanafi, 2017: 108)

- 1- Achieving justice and equality among individuals in society falls within ethical considerations.
- 2- There is a negative impact on national security, represented by rising crime rates and child labor, caused by increasing poverty and unemployment rates.
- 3- The occurrence of unrest, conflicts, and acts of violence among individuals in society, which weakens social cohesion due to persistent inequality and marginalization within the community.

### 1.2 Key Elements of Inclusive Growth: (Fathallah, 2018: 60)

- 1- Economic Empowerment: This involves the participation of a large portion of the workforce in productive activities, particularly groups excluded from the growth process, whether they are sectors, regions, or individuals.
- 2- Distributive Justice: This is reflected in the fair distribution of resources across all economic sectors.
- 3- Education and Health: Increasing investments, especially in the fields of education, health, and infrastructure, which leads to improved productivity for all participants in development, particularly marginalized groups.

Inclusive growth here focuses on removing all obstacles and creating opportunities for investment. It also requires governments to integrate centralized decision-making systems with decentralized implementation systems. Figure (1) provides a summary of the most important elements encompassed by inclusive growth.

Figure (1): Illustrates the key elements included in inclusive growth.

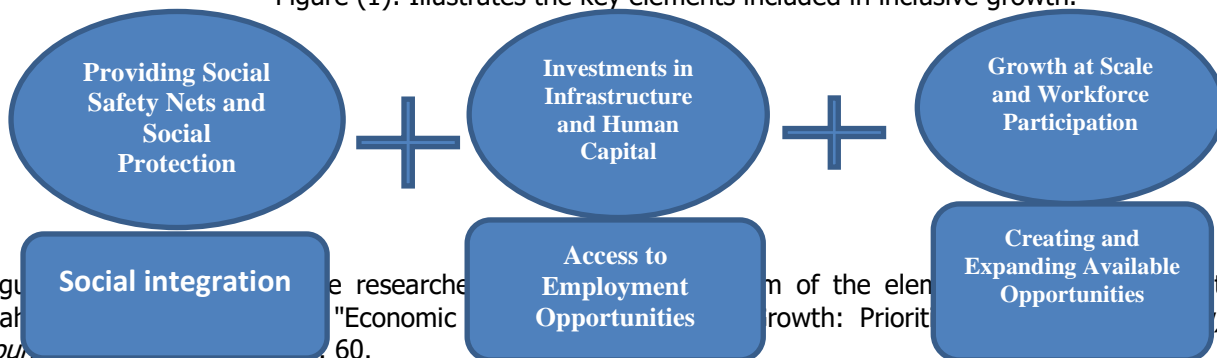


Figure (1) illustrates the key elements included in inclusive growth, based on research by Fathallah (2018). The diagram shows three main components: 'Providing Social Safety Nets and Social Protection' (linked to 'Social integration'), 'Investments in Infrastructure and Human Capital' (linked to 'Access to Employment Opportunities'), and 'Growth at Scale and Workforce Participation' (linked to 'Creating and Expanding Available Opportunities').

### 1.3 Key Mechanisms for Achieving Inclusive Growth:

To achieve inclusive growth, it is necessary to rely on a set of fundamental mechanisms that make this growth more inclusive for all segments of society. These mechanisms include: (Ali, 2021: 132)

1. Inclusive growth is based on the principle of participation of all members of society (both the poor and the rich) with the aim of striving toward development.
2. Inclusive growth policies are embedded in social safety nets that ensure the needs of the poor are met, providing them with a degree of security and achieving equality of opportunity between genders to participate in economic development. This prevents a small group from monopolizing the country's wealth, allowing the small and middle classes to enjoy prosperity in their country, thereby ensuring the fruits of growth are shared between current and future generations.
3. Training and qualifying the workforce to help them remain employed, enabling the government to provide wage insurance for laid-off workers forced to take lower-paying alternative jobs. Additionally, the government supports business owners (projects) by subsidizing wages to hire laid-off workers.
4. The optimal utilization of resources ensures the rights of both current and future generations.
5. The goals that inclusive growth seeks to achieve align with those of economic growth and sustainable development, such as increasing individuals' incomes, providing job opportunities, improving living standards, reducing unemployment, and ensuring educational and healthcare services for all individuals.
6. Providing educational opportunities and healthcare to all members of society, adopting policies that allow financing for the poor and middle class, which contributes to reaping the benefits of foreign capital flows, alongside an efficient and effective tax system.

### 1.4 Dimensions of Inclusive Growth:

There are three main dimensions encompassed by inclusive growth, which are: (Ranier & Ramos, 2013: 9)

#### 1.4.1 Economic Dimension:

Inclusive growth includes all economic sectors and expands the size of the economy. The initial stages of growth require a focus on labor productivity and increasing the pace of growth by utilizing a large workforce, thereby promoting investment and expanding job opportunities.



#### **1.4.2 Social Dimension:**

This is considered the second dimension of inclusive growth, as it is linked to poverty. Growth in the gross domestic product significantly reduces poverty and achieves social justice by ensuring equal employment opportunities for all, which is expressed as equitable development. Justice includes income distribution, and inclusive growth encourages non-discrimination among individuals in participating in development processes.

#### **1.4.3 Political Dimension:**

The state's public policies adapt according to initiatives aimed at bringing about changes, such as tax exemptions for low-income and poor groups, and expanding public spending to achieve the development of economic sectors and the equitable distribution of the workforce across these sectors.

#### **5.1 Necessary Policies for Implementing Inclusive Growth:**

Among the policies that contribute to increasing the rates of inclusive growth are:

##### **5.1.1 Investment in Human Capital:**

The importance of investing in human capital in achieving inclusive growth is evident in efforts to improve education and health. Work represents the fundamental element in raising the living standards of the poor and participating in growth. Similarly, improving drinking water, sanitation, and providing comprehensive healthcare are key factors in enhancing worker productivity and achieving inclusive growth. (Naraan, 2013: p. 18)

##### **5.1.2 Fiscal Policy:**

Fiscal policy operates based on objectives that play a vital role in supporting inclusive growth. These objectives include reinforcing economic stability, providing individuals with goods and services, addressing market imbalances, and thereby reducing poverty and redistributing income. (OECD, 2009: p. 109)

##### **5.1.3 Monetary Policy:**

Monetary policy focuses on inclusive growth by reducing poverty rates and income distribution disparities through targeting inflation control and mitigating fluctuations in national output, which negatively affect poor households.

##### **5.1.4 Social Protection:**

Social protection is a cornerstone of achieving inclusive growth through its dynamic role in reducing poverty and ensuring equitable income distribution. It protects poor families from shocks and crises that might force them to sell productive assets or reduce consumption, leading them to employ their children. (Mathers, N., 2014: p. 40) Additionally, it empowers individuals to undertake small projects to meet their consumption needs. (OECD, 2009)

##### **Forms of Social Protection:**

Social protection takes various forms, including labor market policies, social insurance programs, child protection services, and social safety nets. (Ali, 2007: p. 14)

#### **2. The Concept of Human Development:**

The concept of "development" has expanded in its overall meanings and dimensions to encompass all aspects of societal life, acquiring a comprehensive nature that addresses multiple dimensions. It no longer focuses solely on the material and living progress of society but extends to higher levels that enable individuals to live economically prosperous lives while developing their capabilities, skills, and talents. Accordingly, in the mid-1990s, the International Labour Organization (ILO) adopted the concept of "Basic Needs," emphasizing that one of the priorities of development is to provide jobs and meet basic human needs such as food, shelter, clothing, education (at various stages), and healthcare. The focus shifted toward investing in the human element as a resource contributing to economic growth. Advanced countries have progressed by more than 80% due to increased investment in human capital, while the contribution of physical capital to growth has not exceeded 20%. (Ali, 2014: 156)

Human development is embodied in the optimal use of economic resources in a way that achieves justice, ensures sustainability, and promotes a country's economic growth. Development has been defined as "a process aimed at continuously improving the well-being of all people in a country, considering them active participants targeting development and the equitable distribution of economic benefits resulting from increased growth and development rates." (Awad, 2013: 20) Thus, human development works to provide the best opportunities to harness available human potential to enhance societal well-being and increase its economic contribution. Several key factors ensure the targeting of human development, including: (Al-Bahadli, 2019: 290–291)

1. Working to raise the living standards of individuals in society.
2. Striving to achieve political stability and provide societal freedom through democracy.
3. Focusing on available human potential, especially among youth, to utilize them in achieving high economic growth rates.
4. Governments must improve health conditions and provide satisfactory levels of education and training through continuous plans to achieve effective outcomes that contribute to society and the economy.



5. Studying the labor market to identify the specializations required for the economy and developing them in line with ongoing changes.
6. Working to change certain concepts that hinder the labor element, thereby contributing to increased production and productivity while reducing poverty and unemployment levels.

## 2-2 Economic and Social Indicators of Human Development in Iraq:

### 2-2-1 Growth Rates of Gross Domestic Product (GDP) and Per Capita Share:

This represents one of the key indicators for measuring the level of economic growth, which contributes to achieving human development. The success of human development is realized by directing economic growth toward improving the living and economic conditions of the human element. This, in turn, enhances the quality of life for current generations, serving as a safeguard to protect available economic resources for the benefit of future generations (Al-Haqq, 1994: 3–4).

Development plans and strategies in Iraq, spanning from 2005 to 2022, aimed primarily at achieving annual growth rates in the gross domestic product across all economic sectors and increasing the per capita share of GDP. This was intended to contribute to raising human development rates in Iraq, as illustrated in the following table:

Table (1): Growth Rates of Gross Domestic Product and Average Per Capita Share in Iraq for the Period (2005–2022)

Years	Real GDP Growth Rate (%)	Real GDP Per Capita Growth Rate (%)
2007-2005	5.3	2.3
2014-2010	4	3.0
2017-2013	4.5	1.6
2022-2018	-0.96	-1.8

Source: The percentages were calculated by the researcher based on:

- Iraqi Ministry of Planning, National Development Plans for the period (2005–2022), various pages.
- Iraqi Ministry of Planning, Annual Statistical Collection for the period (2005–2016), Central Statistical Organization, Directorate of National Accounts, various pages.
- Iraqi Ministry of Planning, Preliminary and Quarterly Estimates of Gross Domestic Product for the period (2017–2022), Central Statistical Organization, Directorate of National Accounts, various pages.
- World Bank, Growth Rates of Per Capita GDP for the period (2005–2022), published on the following website: <https://data.albankaldawli.org/indicator/NY.GDP.PCAP.KD.ZG?locations=IQ>

It is observed from Table (1) that the growth of the Gross Domestic Product (GDP) and per capita share in Iraq was volatile. The actual growth rates of GDP and per capita share in Iraq during the period (2005–2022) were high at times and low at others, even reaching negative values. The GDP growth rate for the period (2018–2022) reached (-0.96%), while the per capita GDP growth rate for the same period was (-1.8%).

### 2-2-2 Poverty and Unemployment Levels in Iraq:

Living standards in Iraq have not risen to the desired level due to population migration affecting all individuals, including farmers and other societal classes, in addition to internal displacement caused by military operations and terrorist groups (such as ISIS). All of these factors have contributed to increasing unemployment rates, which in turn have led to a rise in the number of poor segments within Iraqi society. The number of people living below the poverty line increased from 6.648 million to 12.271 million between 2007 and 2021. During this period (2007–2021), the poverty line was estimated to range between (76,896 – 115,000) Iraqi dinars. Over the same period, the poverty rate rose from (18.9% to 29.6%), with the poverty gap ranging between (4.1% – 6.6%), and the severity of poverty increasing from (1.4% – 3.0%), as shown in the following Table (2):

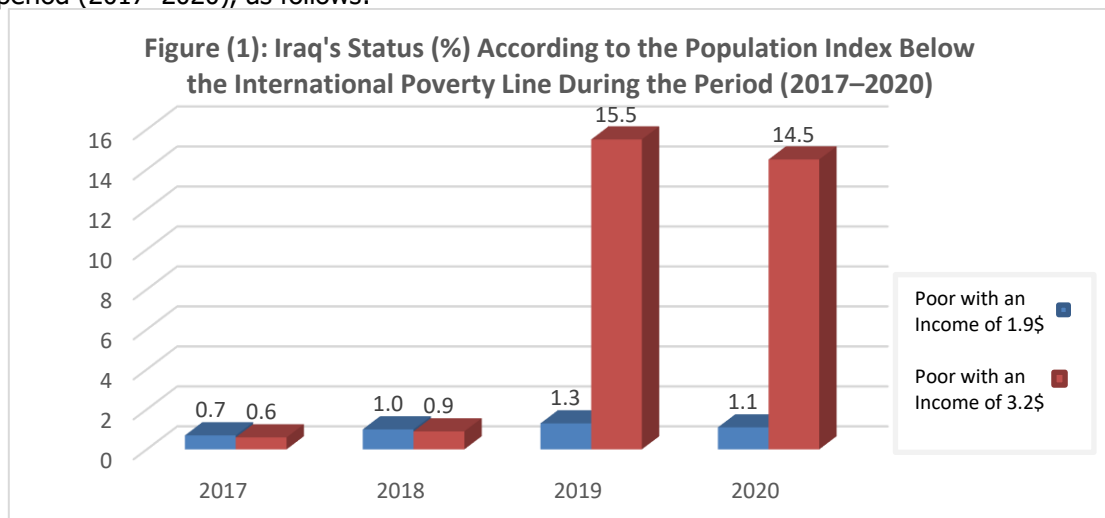
Table (2): Poverty Indexes in Iraq for the Period (2007–2021)

Years	Poverty line (dinar)	Poverty rate (%)	No. of items (people)	Poverty (%)gap	Poverty Severity (%)
2007	76896	22.4	6.648	4.5	1.4
2012	105500	18.9	6.465	4.1	1.4
2014	105500	22.5	8.101	6.6	3.0
2017	-	21.3	-	6.3	2.8
2018	110880	20.5	7.370	4.1	1.4
2020	111000	26.7	11.170	-	-
2021	115000	29.6	12.271	-	-

Source: The statistics of the table are based on:

- Iraqi Ministry of Planning, Millennium Development Goals in Iraq for the Year 2004 and a Vision Beyond 2015, p. 10.
- Iraqi Ministry of Planning. (2017). Poverty Survey in Iraq for the Year 2017, various pages.
- Iraqi Ministry of Planning. (2019). Iraq: First Voluntary Report on Sustainable Development Goals 2019: Triumph of a Nation's Will, Iraq, pp. 34–35.
- Iraqi Ministry of Planning. (2021). Second Voluntary Report on the Achievement of Sustainable Development Goals 2021: Iraq... and the Return to the Developmental Path, Iraq, p. 38.

Figure (2): Illustrates Iraq's position within the indicator of the population living below the international poverty line during the period (2017–2020), as follows:



Source: The figure was prepared by the researcher based on:

- Iraqi Ministry of Planning. (2021). *Second Voluntary Report on the Achievement of Sustainable Development Goals 2021: Iraq... and the Return to the Developmental Path*, Iraq, p. 39.

The figure above shows the percentage of the population in Iraq living below the international poverty line, earning a daily income between (1.9 – 3.2) USD (Iraqi Ministry of Planning, 2021: 39). During the period (2017–2020), the poverty rate for those earning 1.9 USD per day ranged between (0.7% – 1.3%), while the poverty rate for those earning 2.3 USD per day ranged between (0.6% – 15.5%). The failure to address poverty in Iraq is a result of the absence of developmental plans and policies, as well as the repercussions of terrorist attacks on some Iraqi governorates prior to this period. This led to population displacement and military operations against these groups to liberate the governorates from their control. All of these factors contributed to fragility in individuals' living standards and delayed efforts to address poverty rates in Iraq.

As for unemployment, the aforementioned reasons led to its emergence and exacerbation in certain years. The following table illustrates unemployment rates in Iraq during the period (2005–2021):

Table (3): Annual Change in Unemployment Rates (for Age Groups 15 Years and Older) in Iraq During the Period (2005–2021)

Years	2021	2020	2019	2018	2017	2016	2014	2013	2012	2011	2008*	2007	2006	2005
<b>Unemployment Rate (%)</b>	16.5	12.8	8.2	8.2	16.0	10.8	10.6	10.5	11.9	14.2	15.3	11.7	17.5	17.9
<b>Annual Change Rate (%)</b>	28.9	56.1	0.0	-48.8	47.9	2.1	0.1	-11.2	-16.1	7.4-	31.1	-33.1	2.6-	-

Source: The table is based on:

- Iraqi Ministry of Planning. (2023). *Statistical Collection for the Year 2023*, Central Statistical Organization, Directorate of National Accounts, various pages.



- Ahmed, Hassan Abdullah. (2021). *Indicators of Sustainable Development Goals in Iraq (2016–2020)*, Series of Publications by Al-Bayan Center for Studies and Planning, Iraq, p. 14.

*Note:* No unemployment surveys were conducted by the Iraqi Ministry of Planning between 2008 and 2010.

Note: Annual change rates were calculated by the researcher.

It is observed from Table (3) that unemployment rates in Iraq recorded a relative decline. Unemployment decreased from 17.9% in the years (2005 and 2006) and rose to 11.7% in 2007, with annual change rates of 2.6% and -33.1%, respectively. Then, in 2008, unemployment increased to 15.3%, with an annual change rate of 31.1%. Unemployment rates fluctuated between (10.5% – 16%) during the period (2011–2017), with annual change rates ranging between (-16.1% – 47.9%). The rise in unemployment rates in Iraq after 2014 can be attributed to the increased number of displaced individuals from their areas following ISIS's control over them, which led to job losses in both the agricultural and industrial sectors. This, in turn, widened the poverty gap in the governorates controlled by ISIS, namely (Mosul, Anbar, and Saladdin), where poverty rose by 41.2%. Similarly, the central governorates of Iraq witnessed an increase in poverty to 18.6%, the southern governorates to 31.5%, and in the capital, Baghdad, the poverty rate rose to 12.8% (Iraqi Ministry of Planning, 2017: 4).

During the period (2018–2021), we observe an increase in unemployment rates from 8.2% to 16.5%, with annual change rates ranging between (-48.8% – 56.1%). The reason for the rise in unemployment rates during this period is attributed to the economic and health shocks faced by the Iraqi economy due to the (COVID-19 pandemic) and social shocks from (youth unrest in 2019). These shocks impacted the economic sector, leading to a decline in investment and trade rates, which in turn reduced employment rates for the workforce in Iraq.

### 3-2-3 Index of Education:

To achieve human development, Iraq requires a workforce with diverse educational levels, which would enhance their contribution to production and increase productivity through human capital investment. To assess the growth of the education index in Iraq during the study period, it is necessary to examine the state of education. For this purpose, Table (4) was prepared, which illustrates the number of students in primary and secondary education stages, as well as the dropout rates for each stage and their overall totals during the academic years from (2004/2005) to (2020/2021), along with the rate of change, as shown in the following table:

Table (4): Enrollment Rates of Students in Schools and Dropout Rates from Education in Iraq for the Period (2004–2021)

Years	Primary Education (Number of Students)	Change Rate %	Student / School	Dropout Rate %	Primary Education (Number of Students)	Change Rate %	Student / School	Dropout Rate %	Total Dropout Rates (%)	Change Rate %
-2004 2005	3767369	-	339	3.8	1437842	-	402	4.1	7.9	-
-2005 2006	3941190	4.6	333	2.8	1389017	-3.4	354	4.0	6.8	-13.9
-2006 2007	4150940	5.3	342	3.0	1491933	7.4	363	4.2	7.1	4.4
-2007 2008	4333154	4.4	346	2.4	1603623	7.5	367	3.0	5.4	-23.9
-2008 2009	4494955	3.7	342	2.3	1750049	9.1	368	2.8	5.1	-5.6
-2009 2010	4672453	3.9	341	2.9	1877434	7.3	362	3.7	6.6	29.4
-2010 2011	4864096	4.1	346	2.5	1953766	4.1	357	3.2	5.8	-12.1
-2011 2012	5124257	5.3	349	2.1	2211421	13.2	366	2.5	4.6	-20.7
-2012 2013	5351319	4.4	353	1.9	2394678	8.3	373	2.4	4.3	-6.5



-2013 2014	5558674	3.9	352	1.8	2528133	5.6	357	2.3	4.1	-4.7
-2014 2015	4283044	-22.9	397	1.7	2032880	-19.6	410	2.7	4.4	7.3
-2015 2016	4997052	16.7	385	2.2	2442935	20.2	406	3.3	5.5	25.0
-2016 2017	5473997	9.5	390	2.3	2624140	7.4	397	2.5	4.9	-10.9
-2017 2018	6197870	13.2	388	2.1	2933539	11.8	392	2.3	4.4	-10.2
-2018 2019	6501053	4.9	377	1.9	3140110	7.0	386	2.3	4.2	-4.5
-2019 *2020 *	6612754	1.7	356	2.0	3456121	10.1	353	2.4	4.4	4.8
-2020 *2021 *	6454872	-2.4	324	2.1	3668820	6.2	347	2.5	4.6	4.5

Source:

- Iraqi Ministry of Planning, *Annual Statistical Collection for the Period (2005–2017)*, Central Statistical Organization, Directorate of National Accounts, various pages.
- Iraqi Ministry of Planning, *Statistics of Primary and Secondary Education in Iraq for the Academic Years from (2017/2018) to (2020/2021)*, Central Statistical Organization, General Directorate of Educational Planning, Statistics Department, various pages.
- *Note:* The results and percentages listed in the table columns above were extracted by the researcher.
- *Note:* Estimated data.

It is evident from Table (4) that the number of students enrolled in primary education in Iraq fluctuated relatively, ranging between (3,767,369 – 6,612,754) students, with change rates ranging between (-22.9% – 16.7%). The number of students per school ranged between (324 – 397). The dropout rates from education ranged between (1.7% – 3.8%), which are high rates that contribute to a decline in human development rates in Iraq due to increased illiteracy among children. As for the number of students enrolled in secondary education in Iraqi schools, it increased relatively (except for some academic years), with student numbers ranging between (1,389,017 – 366,820) students, and positive change rates ranging between (4.1% – 20.2%). These numbers were distributed across secondary schools, resulting in a range of (354 – 410) students per school. The dropout rates from secondary education showed a relative downward trend, ranging between (2.3% – 4.2%). Additionally, the overall dropout rates for both primary and secondary education recorded a fluctuating decline, ranging between (4.1% – 7.9%), with change rates mostly negative, ranging between (-13.9% – 4.8%).

Achieving human development and inclusive growth requires efforts to develop education levels in Iraq for the period (2005–2022). This involves improving student enrollment rates in primary education by increasing the percentage from 84.25% with the goal of raising it to 99%. Table (5) shows the percentages of education indicators in Iraq according to development plans. Human development rates in Iraq increased during the period from 2010 to 2014 due to an increase in the completion rates of intermediate education by students, reaching 97%. However, this upward trend did not continue, as it declined from 2015 to 2022 to 45%, after which the rate was raised to 70%. Regarding preparatory (secondary) education, Iraq's human development plan for the period (2010–2014) aimed for an enrollment of 350 students per school. Subsequently, the human development plans for the period (2015–2022) achieved an increase in the percentage from 30% to 45%.

Table (5): Education Index Percentages in Iraq According to National Development Plans for the Period (2005–2022)

Years	Primary education %	Intermediate education(%)	Preparatory education (%)
<b>2007 – 2005</b>	<b>84.3</b>	<b>—</b>	<b>—</b>
<b>2014 – 2010</b>	<b>98</b>	<b>97</b>	<b>—</b>
<b>2017 – 2013</b>	<b>95</b>	<b>45</b>	<b>30</b>
<b>2022 – 2018</b>	<b>99</b>	<b>70</b>	<b>45</b>





Source: Prepared by the researcher based on (Iraqi Ministry of Planning, National Development Plans for the period (2005–2022), various pages.

### 3-1-4 Health Index:

The health index is considered one of the key human development indicators, as human development aims to improve individuals' health conditions to achieve inclusive growth. This is accomplished by planning to expand healthcare services through increasing the number of health centers and medical institutions, ensuring access to safe drinking water, and enhancing sanitation services. These efforts contribute to improving public health, thereby boosting productivity and fulfilling human development goals related to health.

The reality experienced by Iraqi society, according to the Sustainable Development Report, indicates that the percentage of the population receiving sanitation services reached 96.1% in 2016. In the same year, the percentage of the population with access to safe drinking water was 83.6% in urban areas and 69.9% in rural areas. This represents a decline from 2015, when the percentage of those served with safe drinking water was recorded at 86.8% in urban areas and 75% in rural areas (Iraqi Ministry of Planning, 2017: 24). This reflects a decrease of 3.2% in urban areas and 5.1% in rural areas.

Regarding the establishment and expansion of medical institutions and health centers, in 2015, the number of medical hospitals, health institutions, and popular clinics was approximately 372 hospitals, 4,114 institutions, and 356 clinics. In 2016, the number of hospitals increased to approximately 381, reflecting a growth rate of 2.4%. The number of other health institutions in the same year reached approximately 4,200, with an increase of 2.1%, while the number of popular clinics reached approximately 375, with an increase of 5.3% (Iraqi Ministry of Planning, 2017: 433–434). From the above, it is clear that there is a relative weakness in providing healthcare services to Iraqi individuals, due to the lack of efficient developmental planning in Iraq.

This has contributed to an increase in disease cases, leading to higher mortality rates in the two aforementioned years, reaching 10,278 and 8,341 deaths, respectively. The mortality rate per 100,000 people was recorded at 30% and 23.8%, respectively (Central Statistical Organization Statistics, 2017–2018: various pages). This situation hinders the achievement of human development in Iraq. The human development index in the health sector can be assessed by examining the development of its services through indicators such as: the maternal mortality rate per 100,000 live births, the percentage of births attended by specialized medical personnel, and the child mortality rate per 100,000 live births. The following table illustrates this:

Table (6): Selected Indicators of Healthcare Sector Development in Iraq (2005–2021)

Years	Maternal Mortality Rate per 100 Live Births (%)	Percentage of Births Supervised by a Doctor (%)	Infant Mortality Rate per 100,000 Live Births (%)
2005	86.1	82.0	44.0
2006	84.0	88.5	35.0
2007	-	-	-
2008	-	-	24.0
2009	-	-	-
2010	-	-	-
2011	-	90.9	32.0
2012	-	87.7	21.0
2013	35.0	91.0	17.3
2014	30.1	91.0	19.7
2015	32.0	95.5	18.1
2016	36.1	93.9	18.6
2017	31.0	93.7	14.0
2018	33.5	95.6	23.0
2019	31.5	90.1	19.6
2020	34.2	90.2	18.5
2021	46.1	96.0	17.8



Source: Iraqi Ministry of Planning, Annual Statistical Report for the period (2005–2021), Central Statistical Organization, Directorate of National Accounts, various pages.

From the table above, it is observed that the maternal mortality rate (per 100,000 live births) declined from 86.1% to 31% between 2005 and 2014, then fluctuated between 31% and 46.1% during 2015–2021. The percentage of births attended by medical professionals increased from 82% to 96% between 2005 and 2021. Additionally, during the same period, the infant mortality rate (per 100,000 live births) decreased from 44 cases to 17.8 cases. From these observations, it is evident that there has been growth in healthcare services provided to Iraqi society during the study period. This improvement may be attributed to increased health awareness among citizens and the efforts of medical personnel utilizing available medical equipment. However, the Iraqi healthcare sector has not been adequately equipped with modern medical devices, nor has it been provided with qualified and well-trained medical personnel or advanced medical technologies to enhance its efficiency.

### **3 – Solutions for Achieving Inclusive Growth in Iraq**

To achieve inclusive growth, various approaches and mechanisms are required, which vary from country to country based on their capabilities, societal needs, and level of development. In order to enhance inclusive growth in Iraq, a set of services must be provided to improve individuals' economic and social well-being (International Monetary Fund, 2020: 21-22). These include:

1. Investing in education and scientific research to enhance knowledge and develop human competencies.
2. Strengthening the healthcare sector by ensuring an adequate number of hospitals, healthcare institutions, and public clinics.
3. Promoting technology, innovation, and entrepreneurship by supporting innovators across various fields and creating an environment conducive to innovation.
4. Enhancing sustainable human development by directing investments toward sectors and projects that promote long-term human development.
5. Developing manufacturing industries that utilize local resources and create local employment opportunities.

## **4 - KEY CONCLUSIONS AND RECOMMENDATIONS**

### **4-1 CONCLUSIONS:**

1. Growth becomes inclusive when the gap between the rich and the poor narrows and economic benefits are distributed equitably. This results in improved living standards across various aspects, including healthcare, education, income, a clean environment, and social support. It is termed inclusive because it addresses the social and economic challenges faced by the poor.
2. GDP-related data indicates a decline in economic performance, as the GDP growth rate for the period (2018–2022) was negative (-0.96%), while the per capita GDP growth rate for the same period dropped to (-1.8%).
3. During the period (2017–2020), the income of the poor at \$1.9 per day ranged between (0.7% – 1.3%), while at \$2.3 per day, it fluctuated between (0.6% – 15.5%). The failure to address poverty in Iraq is primarily due to the lack of effective plans and policies to enhance development and achieve inclusive growth.
4. Unemployment rates increased from 8.2% to 16.5% during the period (2018–2021), with annual fluctuation rates ranging between (-48.8% and -56.1%). The rise in unemployment during this period was due to economic and health shocks, particularly the COVID-19 pandemic and the 2019 youth protests demanding jobs. These crises adversely affected the economy, leading to declines in investment and trade, which subsequently reduced employment opportunities in Iraq.
5. A corruption-free environment and the provision of stable economic, political, and security conditions are crucial for achieving high levels of human development in Iraq. However, during the study period, obstacles hindered human development in the health and education sectors, keeping their services below the required standards. As a result, progress toward achieving development goals in these sectors remained limited.
6. Improving and expanding services in the education and healthcare sectors in Iraq is essential for achieving the desired human development goals. Additionally, these services play a vital role in fostering inclusive growth by creating job opportunities and optimizing the use of economic and financial resources to benefit the poor population.

### **4-2 RECOMMENDATIONS**

In conclusion, the following recommendations are proposed based on the study findings:



1. Governments should develop human development plans that contribute to achieving inclusive growth and addressing the challenges faced by poor communities.
2. Support and encourage low-income groups by providing government subsidies to help them invest in small and medium-sized enterprises (SMEs). Additionally, governments should support and assist SMEs by creating a favorable business environment for them.
3. Focus on youth employment by establishing training and employment programs that target young people, equipping them with the necessary skills to enter the labor market effectively.
4. Enhance public-private partnerships and attract necessary investments to support sustainable development.
5. Encourage researchers to conduct studies related to inclusive growth and its relationship with economic and social variables, promoting deeper insights and effective policy-making.

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